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December 13, 2010

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BY HAND

Ms. Cynthia T. Brown Chief, Section of Administration Office of Proceedings Surface Transportation Board 395 E Street, SW Washington, DC 20423

NOR 42/26

Re:

Docket No. Union Electric Company D/B/A Ameren Missouri and Missouri Central Railroad Company v. Union Pacific Railroad Company Finance Docket No. 33508 and 33537, Missouri Central Railroad Company – Acquisition and Operation Exemption – Lines of Union Pacific Railroad Company and GRC Holdings Corporation – Acquisition Exemption – Lines of Union Pacific Railroad Company

Dear Ms. Brown:

Enclosed for filing in the above-referenced matter, are the original and ten copies of Union Pacific's (i) Answer to the Complaint of Union Electric Company d/b/a Ameren Missouri and Missouri Central Railroad Company; (ii) Reply to Motion for Protective Order; and (iii) Reply to Motion for Procedural Schedule.

Additional paper copies of these filings are enclosed. Please return date-stamped copies to our messenger.

Thank you for your attention to this matter.

Sincerely,

Michael L. Rosenthal

Enclosures

BEFORE THE SURFACE TRANSPORTATION BOARD

UNION ELECTRIC COMPANY D/B/A AMEREN MISSOURI and MISSOURI CENTRAL RAILROAD COMPANY,

Complainants,

v.

UNION PACIFIC RAILROAD COMPANY,

Defendant.

MISSOURI CENTRAL RAILROAD COMPANY – ACQUISITION AND OPERATION EXEMPTION – LINES OF UNION PACIFIC RAILROAD COMPANY

and

GRC HOLDINGS CORPORATION – ACQUISITION EXEMPTION – LINES OF UNION PACIFIC RAILROAD COMPANY NOR 42126

Finance Docket No. 33508

Finance Docket No. 33537
Office of Proceedings

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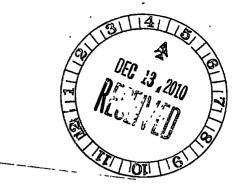
ANSWER

J. MICHAEL HEMMER LOUISE A. RINN ELISA B. DAVIES Union Pacific Railroad Company 1400 Douglas Street Omaha, Nebraska 68179 (402) 544-3309 MICHAEL L. ROSENTHAL Covington & Burling LLP 1201 Pennsylvania Avenue, N.W. Washington, DC 20004 (202) 662-5448

Attorneys for Union Pacific Railroad Company

December 13, 2010

BEFORE THE SURFACE TRANSPORTATION BOARD



UNION ELECTRIC COMPANY *D/B/A* AMEREN MISSOURI and MISSOURI CENTRAL RAILROAD COMPANY,

Complainants,

v.

UNION PACIFIC RAILROAD COMPANY,

Defendant.

MISSOURI CENTRAL RAILROAD COMPANY – ACQUISITION AND OPERATION EXEMPTION – LINES OF UNION PACIFIC RAILROAD COMPANY

and

GRC HOLDINGS CORPORATION – ACQUISITION EXEMPTION – LINES OF UNION PACIFIC RAILROAD COMPANY NOR 42126

Finance Docket No. 33508

Finance Docket No. 33537

ANSWER

Pursuant to 49 C.F.R. § 1111.4, Defendant Union Pacific Railroad Company ("UP") hereby answers the Complaint filed by Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") and Missouri Central Railroad Company ("MCRR") (collectively "Ameren/MCRR") in the above-captioned dockets on November 22, 2010.

UP denies all of the allegations in the Complaint except where this Answer specifically states otherwise.

In response to the unnumbered paragraphs on pages 2 and 3 of the Complaint, UP admits that Ameren/MCRR filed a Complaint in this proceeding on November 22, 2010, which seeks relief on the bases described in the first unnumbered paragraph on page 2. The remainder of the unnumbered paragraphs on page 3 consist of Ameren/MCRR's characterizations of their Complaint and statements of their requested relief, to which no response is required. To the extent that a response is required, UP denies the allegations in those paragraphs and refers the Board to the more specific answers following herein.

With respect to the numbered paragraphs of the Complaint, UP responds as follows:

- 1. UP denies the allegations in Paragraph 1 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 2. UP admits that Ameren Missouri operates the coal-fired Labadie electric generating station in Franklin County, MO. UP denies the remaining allegations in Paragraph 2 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 3. UP admits that the Labadie plant currently has access to two railroads and that UP delivers coal to the Labadie plant from the Powder River Basin of Wyoming. UP denies the remaining allegations in Paragraph 3 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 4. UP admits the allegations in the first sentence of Paragraph 4. UP denies the remaining allegations in Paragraph 4 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 5. UP denies the allegations in Paragraph 5 because it lacks knowledge or information sufficient to form a belief as to their truth.

- 6. UP admits that MCRR acquired the portion of the former Chicago, Rock Island, and Pacific Railroad ("Rock Island") line described in Paragraph 4 of the Complaint after GRC Holdings Corporation ("GRC") acquired that portion of the former Rock Island line from UP. UP denies the remaining allegations in Paragraph 6.
- 7. UP denies the allegations in Paragraph 7 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 8. UP admits that the Line Sale Contract negotiated with GRC did not include the sale of the segments of the former Rock Island line between Vigus, MO, and Rock Island Junction, MO (at or near milepost 10.3), and between Pleasant Hill, MO, and Leeds Junction, MO (at or near milepost 288.3), that UP granted MCRR trackage rights over those segments, that the trackage rights between Vigus and Rock Island Junction allow MCRR to connect with the Terminal Railroad Association of St. Louis, and that the trackage rights between Pleasant Hill and Leeds Junction would allow MCRR to connect with the Kansas City Terminal Railway if the line from Pleasant Hill to Leeds Junction were restored to service. UP denies the remaining allegations in the text of Paragraph 8. UP avers by way of further response that the Line Sale Contract speaks for itself. With regard to the allegations in the first sentence of footnote 2, UP refers the Board to the pleadings filed in STB Docket No. AB-1068X and STB Docket No. AB-1070X, which speak for themselves. The allegations in the second sentence of footnote 2 are a characterization of Ameren/MCRR's claims to which no response is required. To the extent a response is required, UP denies the allegations in footnote 2.
- 9. UP admits that by some measures it is the nation's largest railroad, that it is incorporated in the state of Delaware, and that it has its principal place of business located at 1400 Douglas Street, Omaha, NE 68179. UP also admits that it is a common carrier by rail

subject to the jurisdiction of the Surface Transportation Board. UP denies the remaining allegations in Paragraph 9.

- 10. Paragraph 10 is a legal argument to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 10.
- 11. Paragraph 11 is a legal argument to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 11.
- 12. Paragraph 12 and footnote 3 are legal arguments to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 12 and footnote 3.
- 13. Paragraph 13 is a legal argument to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 13.
- 14. UP admits the allegations in the first sentence of Paragraph 14, that Missouri Pacific Railroad delivered coal to Labadie, and that the Rock Island line was purchased by Southern Pacific Transportation Company in 1980 through its subsidiary, St. Louis Southwestern Railway Company. UP denies the allegation that the Rock Island delivered coal to Labadie because it lacks knowledge or information sufficient to form a belief as to its truth. UP denies the remaining allegations in Paragraph 14.
 - 15. UP admits the allegations in Paragraph 15.
- 16. UP admits that SP provided rail transportation of coal to Labadie on the former Rock Island line and that at least some of that transportation was provided as described in the third sentence of Paragraph 16. UP denies the remaining allegations in Paragraph 16 because it lacks knowledge or information sufficient to form a belief as to their truth.

17. UP admits that in the notice of exemption cited in Paragraph 17, St. Louis Southwestern Railway Company, a subsidiary wholly owned by SP, filed in 1993 for abandonment of 196.7 miles of the former Rock Island line, from mile post 91.6 to milepost 288.3. UP further admits that in the decisions cited in footnote 4, the Interstate Commerce Commission dismissed the proposed abandonment exemption regarding the same portion of the former Rock Island line. UP denies the remaining allegations in Paragraph 17 and footnote 4. UP avers by way of further response that the cited notice of exemption and decisions speak for themselves.

18. UP admits that it entered into a settlement agreement with the predecessor in interest to BNSF Railway Company after UP and SP announced their plan to merge in 1995 (the "Settlement Agreement"), that the Settlement Agreement was intended in part to maintain two-carrier service for shippers that would have lost service from one carrier in an unconditioned merger between UP and SP, and that, in many instances, competition was preserved through grants of trackage rights to BNSF. UP denies the remaining allegations in Paragraph 18. UP avers by way of further response that the Settlement Agreement speaks for itself.

19. UP admits that the Board imposed certain portions of the Settlement
Agreement as a condition of the UP/SP merger. UP denies the remaining allegations in
Paragraph 19. UP avers by way of further response that the cited decision speaks for itself.

20. UP admits that Ameren Missouri petitioned the Board to clarify how certain provisions of the Settlement Agreement and other conditions imposed by the Board applied to Labadie and that the Board issued the decision cited in Paragraph 20. UP denies the remaining allegations in Paragraph 20. UP avers by way of further response that the cited decision speaks for itself.

- 21. UP admits that it has provided rail transportation for coal deliveries to Labadie in single-line service from the PRB pursuant to an arrangement with Ameren Missouri and that the terms of the arrangement will expire at the time alleged in Paragraph 21. UP denies the remaining allegations in Paragraph 21.
- 22. UP admits that it explored a sale of a portion of the former Rock Island line prior to the completion of its merger with SP; that on November 3, 1997, it signed a Line Sale Contract to sell some, but not all, of its property rights relating to the portion of the line between milepost 19.0 near Vigus, MO, in the east to milepost 263.5 near Pleasant Hill, MO, in the west to GRC; that the Line Sale Contract states that GRC intended upon purchase to sell its rights to the line to MCRR; and that UP entered into a related agreement to grant MCRR trackage rights between Pleasant Hill, MO, and Leeds Junction, MO (at or near milepost 288.3), and between Vigus, MO, and Rock Island Junction, MO (at or near milepost 10.3). UP denies the remaining allegations in Paragraph 22. UP avers by way of further response that the Line Sale Contract and Trackage Rights Agreement speak for themselves.
- 23. UP admits the Line Sale Contract provides that "neither MCRR nor its successors and assigns nor any tenant can serve the facilities of Union Electric at or near Labadie, Missouri, over the line of railroad being acquired (including over trackage rights on either end of the line which is being purchased) either directly over the existing switch or via new construction." UP further admits that the Trackage Rights Agreement states that MCRR does not have the right to "[m]ove any Equipment containing coal over the Joint Trackage which is destined to the power generating facilities of Union Electric (or any successor) at Labadie, Missouri." UP denies the remaining allegations in Paragraph 23. UP avers by way of further response that the Line Sale Agreement and Trackage Rights Agreement speak for themselves.

With regard to the allegations in footnote 5, Ameren/MCRR's assertion that the terms of the Line Sale Contract constitute a "paper barrier" is a characterization of their claim that requires no response. With regard to the allegations in footnote 6, UP admits that footnote 6 contains a partial quotation from section 2(b)(3) of the Line Sale Contract. UP further admits that the Trackage Rights Agreement attached as Exhibit D of the Complaint was signed by UP and MCRR after UP and GRC entered into the Line Sale Contract.

- 24. UP admits that the Line Sale Contract includes, as Exhibits F-1 and F-2, two documents titled "Interchange Agreement" that address interchange between UP and MCRR near the ends of the segments of the former Rock Island line that are covered by the Trackage Rights Agreement. UP denies the remaining allegations in Paragraph 24. UP avers by way of further response that the versions of Exhibits F-1 and F-2 that are provided in the Complaint are not copies of the final versions of those documents that were executed by UP and MCRR.
 - 25. UP admits the allegations in Paragraph 25.
 - 26. UP admits the allegations in Paragraph 26.
- 27. UP admits the allegations in the first sentence in Paragraph 27 and that it issued a press release in February 1999 as described in the Board decision cited in Paragraph 27. The remaining allegations in Paragraph 27 consist of Ameren/MCRR's characterizations of events that do not require a response. To the extent a response is required, UP denies the remaining allegations in Paragraph 27.
- 28. UP denies the allegations in Paragraph 28 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 29. UP denies the allegations in Paragraph 29 because it lacks knowledge or information sufficient to form a belief as to their truth.

- 30. UP denies the allegations in the first sentence of Paragraph 30 and in footnote 9 because it lacks knowledge or information sufficient to form a belief as to their truth. With respect to the allegations in the second sentence of Paragraph 30, UP admits that, according to the Board's decision in *Ameren Corporation Control Exemption Missouri Central Railroad Company*, STB Docket No. 33805 (served Nov. 5, 1999), Ameren ERC, Inc., a wholly owned subsidiary of Ameren Missouri, purchased 95% of the stock of MCRR on October 7, 1999. UP denies the remaining allegations in Paragraph 30.
- 31. UP denies the allegations in Paragraph 31 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 32. UP admits that it entered into the Trackage Rights Agreement attached as Exhibit D to the Complaint. UP denies the remaining allegations in Paragraph 32. UP avers by way of further response that the Line Sale Contract and Trackage Rights Agreement speak for themselves.
- 33. UP admits that Paragraph 33 contains an accurate quotation from a portion of Section 3(a) of the Line Sale Contract. UP denies the remaining allegations in Paragraph 33. UP avers by way of further response that the Line Sale Contract speaks for itself.
- 34. UP admits that Section 3(iv) of the Trackage Rights Agreement attached as Exhibit D to the Complaint addresses MCRR's right to provide rail service to Labadie. UP denies the remaining allegations in Paragraph 34. UP avers by way of further response that the Trackage Rights Agreement speaks for itself.
- 35. UP admits that Paragraph 35 contains an accurate quotation from a portion of Section 1.8 of Exhibit B to the Trackage Rights Agreement. UP denies the remaining allegations

- in Paragraph 35. UP avers by way of further response that Exhibit B to the Trackage Rights Agreement speaks for itself.
- 36. UP denies the allegations in Paragraph 36. UP avers by way of further response that GRC did not acquire the right to serve Labidie when it purchased the rights to the former Rock Island line set forth in the Line Sale Contract, and MCRR could not have acquired greater rights to the line than GRC possessed through any subsequent transaction with GRC.
 - 37. UP admits the allegation in Paragraph 37.
- 38. UP admits that the Trackage Rights Agreement gives MCRR overhead rights to operate between Vigus and Rock Island Junction, and between Pleasant Hill and Leeds Junction in Missouri. UP denies the remaining allegations in Paragraph 38. UP avers by way of further response that the Trackage Rights Agreement speaks for itself.
- 39. UP denies the allegations in Paragraph 39. UP avers by way of further response that the Trackage Rights Agreement speaks for itself.
- 40. UP admits that Section 7.3 of the General Conditions of the Trackage Rights Agreement contains provisions regarding UP's right to abandon the lines over which MCRR obtained trackage rights and MCRR's right to purchase the abandoned trackage. UP denies the remaining allegations in Paragraph 40. UP avers by way of further response that Section 7.3 of the General Conditions of the Trackage Rights Agreement speaks for itself.
- 41. Paragraph 41 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 41.

- 42. Paragraph 42 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 42.
- 43. Paragraph 43 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 43.
- 44. Paragraph 44 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 44.
- 45. UP denies the allegations in Paragraph 45 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 46. UP denies the allegations in Paragraph 46 because it lacks knowledge or information sufficient to form a belief as to their truth.
- 47. Paragraph 47 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 47.
- 48. Paragraph 48 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 48.
- 49. Paragraph 49 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 49.

- 50. Paragraph 50 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 50.
- 51. UP admits that SP formerly provided service for Colorado coal to the Labadie plant over the former Rock Island line and that the Line Sale Contract provides that "neither MCRR nor its successors and assigns nor any tenant can serve the facilities of Union Electric at or near Labadie, Missouri, over the line of railroad being acquired (including over trackage rights on either end of the line which is being purchased) either directly over the existing switch or via new construction." UP denies the remaining allegations in Paragraph 51.
- 52. UP denies that it lacks incentive to move Illinois Basin coal to Labadie. UP denies the remaining allegations in Paragraph 52 because it lacks the knowledge or information sufficient to form a belief as to their truth.
 - 53. UP denies the allegation in Paragraph 53.
- 54. Paragraph 54 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 54.
- 55. Paragraph 55 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 55.
 - 56. UP denies the allegations in Paragraph 56.
- 57. UP denies the allegations in the first sentence of Paragraph 57. UP denies the remaining allegations in Paragraph 57 because it lacks knowledge or information sufficient to form a belief as to their truth.

- 58. Paragraph 58 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 58. UP avers by way of further response that the Complaint mischaracterizes UP's offer regarding MCRR's access to Labadie.
- 59. The first sentence of Paragraph 59 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in the first sentence of Paragraph 59. UP denies the allegations in the second sentence of Paragraph 59 because it lacks knowledge or information sufficient to form a belief as to their truth.
 - 60. UP incorporates its answers to paragraphs 1-59 as if repeated in their entirety.
- 61. Paragraph 61 is a legal argument to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 61.
- 62. Paragraph 62 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 62.
- 63. Paragraph 63 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 63.
- 64. Paragraph 64 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 64.

- 65. Paragraph 65 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 65.
- 66. Paragraph 66 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 66.
- 67. Paragraph 67 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 67.
 - 68. UP denies the allegations in Paragraph 68.
- 69. UP admits the allegations in the first two sentences of Paragraph 69. UP denies the remaining allegations in Paragraph 69.
- 70. Paragraph 70 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 70.
- 71. UP denies the allegations in Paragraph 71. UP avers by way of further response that the relief Ameren/MCRR appear to be seeking would provide Ameren with immediate access to three rail carriers at Labadie, whereas prior to the merger of UP and SP, Ameren had immediate access to two rail carriers at Labadie. With respect to the allegations in footnote 11, UP admits that the Labadie plant was served by both UP and SP prior to the UP/SP merger, that the Board imposed certain provisions of the Settlement as a condition of the UP/SP merger, and that Ameren Missouri sought a Board ruling that certain provisions of the Settlement Agreement applied to Labadie. UP avers by way of further response that the Board's decisions

speak for themselves. UP denies that the BNSF trackage rights to serve Labadie are not providing the benefit the Board intended when it imposed conditions on the UP/SP merger. UP denies the remaining allegations in footnote 11 because it lacks knowledge or information sufficient to form a belief as to their truth and because many of the allegations consist of legal arguments and Ameren/MCRR's characterizations of their claims.

- 72. Paragraph 72 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 72.
- 73. Paragraph 73 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 73.
 - 74. UP incorporates its answers to paragraphs 1-73 as if repeated in their entirety.
- 75. UP admits that pursuant to 49 C.F.R. § 1121.4(f), petitions to revoke an exemption may be filed at any time.
- 76. UP admits that Paragraph 76 contains an accurate quotation from a portion of 49 U.S.C. § 10502(d), which speaks for itself.
- 77. Paragraph 77 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 77.
- 78. Paragraph 78 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 78.

- 79. Paragraph 79 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 79.
- 80. Paragraph 80 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 80.
- 81. Paragraph 81 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 81.
- 82. UP admits that section 10(h) of the Line Sale Contract contains a severability provision. The second sentence of Paragraph 82 consists of legal arguments and conclusions to which no response is required. To the extent a response is required and with respect to the remaining allegations, UP denies the allegations in Paragraph 82. UP avers by way of further response that section 10(h) of the Line Sale Contract speaks for itself.
- 83. UP admits that section 11.2 of the General Conditions of the Trackage Rights
 Agreement addresses obligations of the parties if certain provisions of the Trackage Rights
 Agreement shall be adjudged void. The second sentence of Paragraph 83, including footnote 12,
 consists of legal arguments and conclusions to which no response is required. To the extent a
 response is required and with respect to the remaining allegations, UP denies the remaining
 allegations in Paragraph 83. UP avers by way of further response that section 11.2 of the
 General Conditions of the Trackage Rights Agreement speaks for itself.
 - 84. UP incorporates its answers to paragraphs 1-83 as if repeated in their entirety.

- 85. Paragraph 85 is a legal argument to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 85.
- 86. Paragraph 86 is a legal argument to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 86.
- 87. Paragraph 87, including footnote 13, consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 87 and footnote 13.
- 88. Paragraph 88 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 88.
- 89. Paragraph 89 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 89.
- 90. Paragraph 90 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 90.
 - 91. UP denies the allegations in Paragraph 91.
 - 92. UP denies the allegations in Paragraph 92.
 - 93. UP denies the allegations in Paragraph 93.
 - 94. UP denies the allegations in Paragraph 94.
- 95. Paragraph 95 consists of legal arguments and conclusions to which no response is required. To the extent a response is required, UP denies the allegations in Paragraph 95.

DEFENSES

- 1. The Complaint fails to state a claim upon which relief can be granted.
- 2. The Complaint fails to state a claim that UP has violated any duty under 49. U.S.C. § 11101.
- 3. The Complaint fails to state a claim that revocation of the transaction exemption is warranted under 49. U.S.C. § 10502(d).
- 4. The Complaint fails to state a claim that UP has violated the Rail Transportation Policy of 49 U.S.C. § 10101.
- 5. Complainants' claims are barred, in whole or in part, by the applicable statute of limitations and/or the doctrine of laches.
- 6. Complainants' claims are barred, in whole or in part, by the doctrines of waiver and/or estoppel.
- 7. Complainants' claims are barred, in whole or in part, by plaintiff's unclean hands.

WHEREFORE, UP requests that the Complaint be dismissed with prejudice; that no relief of any kind be awarded to Ameren Missouri or MCRR; and that the Board grant UP such other and further relief as may be appropriate.

Respectfully submitted,

J. MICHAEL HEMMER LOUISE A. RINN ELISA B. DAVIES Union Pacific Railroad Company 1400 Douglas Street Omaha, Nebraska 68179 (402) 544-3309 MICHAEL L. ROSENTHAL Covington & Burling LLP 1201 Pennsylvania Avenue, N.W. Washington, DC 20004 (202) 662-5448

Attorneys for Union Pacific Railroad Company

December 13, 2010

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, hereby certify that on this 13th day of December, 2010, I caused a copy of Union Pacific's Answer to be served by U.S. first-class mail, postage prepaid, or by a more expeditious manner of service on:

Sandra L. Brown David E. Benz Thompson Hine LLP 1920 N Street, N.W., Suite 800 Washington, DC 20036 James A. Sobule Ameren Corporation 1901 Chouteau Avenue St. Louis, MO 63103

Miles ZMM

Michael L. Rosenthal